



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
200 VESEY STREET, SUITE 400
NEW YORK, NY 10281-1022

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March 20, 2020

By ECF

Hon. John F. Keenan
United States District Judge
United States District Court for the Southern District of New York
500 Pearl Street
New York, NY 10007

Re: SEC v. John Geraci, 18 Civ. 6432 (JFK)

Dear Judge Keenan:

Plaintiff Securities and Exchange Commission ("Commission") respectfully submits this letter pursuant to the Court's Order of February 20, 2020 (Docket No. 18) directing the parties to submit a status update. The Commission respectfully requests that the stay in this case be lifted.

As background, on October 28, 2019, Defendant John Geraci ("Geraci") pled guilty to conspiracy to commit securities fraud and wire fraud, in violation of Title 18, United States Code, Section 371, in the related criminal proceeding, *United States v. John Geraci*, 18-cr-715 (AJN) (the "Criminal Case"). On January 24, 2020, the court in the Criminal Case sentenced Geraci to a prison term of 24 months and ordered restitution totaling \$1,098,971.38. Geraci is scheduled to report to prison on March 23, 2020.

Geraci is *pro se* in the Commission's civil action. On November 15, 2019, the undersigned presented Geraci, through the attorney representing him in the Criminal Case, with a proposed settlement (that would need to be approved by the Commission itself, if Geraci consented). We followed up with that attorney and with Geraci on a number of occasions to see if Geraci was prepared to accept the settlement offer but received no definitive response. I spoke with Geraci yesterday and advised him that, absent a settlement, we would request that the stay be lifted. Geraci indicated that he was not feeling well but that he hoped to have an attorney review the settlement papers and that he would get back to us today. In response to our email to him this afternoon, Geraci stated that he was dealing with several medical issues today and would get back to us thereafter.

The Commission will continue to explore possible resolution of this case with Geraci and will be mindful of any medical issues. However, we submit that there is no good reason why this case should be stayed any longer. Accordingly, the Commission respectfully requests that the stay be lifted.

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Respectfully submitted,


/s/ Alison R. Levine
Senior Counsel

Cc: John Geraci (by email and UPS)
Jared Lenow, AUSA
Drew Skinner, AUSA

Plaintiff's request to lift the stay is GRANTED. The parties shall have 60 days to explore a negotiated resolution of this case. If no such resolution is reached, Plaintiff is directed to notify the Court by June 1, 2020, whether it intends to proceed to discovery or whether it intends to file any dispositive motions, such as a motion for summary judgment.

SO ORDERED.

Dated: New York, New York
March 23, 2020



John F. Keenan
United States District Judge